(c) to (e) : No such evasion has been detected. The outstanding income-tax arrears is only Rs. 1400/-.

**Andhra Pradesh Government's request for writing off loan**

2655. Dr. Y. LAKSHMI PRASAD : Will the Minister of FINANCE be pleased to state :

(a) whether Andhra Pradesh Government has requested to write off Rs. 3491 crores out of the total outstanding loans due from the State Government on account of expenditure incurred on anti-extremist operations being a National problem; and

(b) if so, the action taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) Yes, Sir.

(b) The Eleventh Finance Commission as per its Terms of Reference is required to make an assessment of the debt position of States and suggest such corrective measures as are deemed necessary, keeping in view the long term sustainability for both the Centre and States. Any debt relief to State/States will have to await the recommendations of the Eleventh Finance Commission.

**Recommendations of the 11th Finance Commission**

2656. SHRI KRISHNA KUMAR BIRLA :

SHRI C. RAMACHANDRIAH :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have since received the recommendations of the Eleventh Finance Commission;

(b) if so, the details of the recommendations made by the Commission;

(c) whether the Commission have recommended the Government to substantially increase grants to various State Governments;

(d) whether Government have examined the recommendations of the Commission and propose to accept and implement in toto; and

(e) if so, by when and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) to (e) The Eleventh Finance Commission has submitted its Interim Report on 15th January, 2000. The Interim Report alongwith Explanatory Memorandum as to the action taken on the